

Bond Release Findings

Mine Name: Lavon Giles Pit
Operator: W. W. Clyde/Obayashi
1275 N. Main
Box 350
Springville, UT 84663

I.D. No.: M01300009
Mineral Ownership: Fee
Surface Ownership: Fee
Permit Term: SMO found complete in 2005

Disturbed Area: 5 acres

Regraded: 5 acres

Reseeded: 5 acres

Acres Bonded: 5 acres

Acres Proposed for Release: 5 acres

Surety

Amount: \$10,000.00

Form: Corporate Surety

Renewable Term: N/A

Setting and Premining Environment

This mine site is near the town of Upalco in Duchesne county. Prior to mining, the area was used during the winter as a feeding area for cattle. The vegetation consisted of widely scattered greasewood plants and weeds. The soils are very clayey and, judging by the greasewood, probably have a high salt content. The topography of the mine site is almost perfectly flat, but there are some incised drainages nearby.

Operations

The operator had intended to mine clay from this site. No material was removed although the operator did prepare the area for mining. This preparation included clearing the vegetation, building a series of berms around and within the area, and adding water so the clay would have the right moisture content. There were no surface facilities.

Hole Plugging

A few shallow holes were drilled, but these were plugged when the site was regraded.

Reclamation

Reclamation consisted of grading the berms and seeding the area. Seeding was apparently done by the land owner, possibly with the assistance of the Natural Resources Conservation Service.

Mine Engineering

The site is flat and matches surrounding areas. There are no highwalls or similar features that could be a public safety hazard. No deleterious materials were used, and no roads were built as part of the mine.

Hydrology

There are some natural drainages and irrigation canals in areas adjacent to the mine, but these were not affected by the operation. In spite of the lack of vegetation, there was no evidence of erosion during the bond release inspection.

Revegetation

No desirable species were found in the reclaimed area during an inspection conducted October 30, 2006; however, the operator informed me verbally that more things have grown this year (2007). I have not confirmed this and do not know what species are present.

Page 2 of 2

August 2, 2007

Bond Release Findings

S0130009, W. W. Clyde/Obayashi, Giles Pit

The Notice of Intention to Commence Small Mining Operations includes a variance from seeding requirements. This variance was conditionally approved in the Division's March 15, 2005, acceptance letter which contained the following statement:

The site is being used to feed cattle during the winter, and because of this use and because of the soil conditions, revegetation is not likely to be successful. The Division will inspect the site in the winter following the completion of reclamation operations. If the area is not being used for feeding cattle, the Division may reinstate the revegetation requirements.

During the initial inspection in January 2005, the site was essentially a feedlot with no vegetation.

When this condition was issued, the Division anticipated the site would be mined and reclaimed during 2005 and that an inspection would be done during the winter of 2005-2006.

While areas immediately surrounding the mine have almost no vegetation, other nearby areas are planted for pasture or hay.

A letter from the land owner dated July 2, 2007, and supplied by the operator says the land owner plans to again use the property as a feed ground as he has done in the past.

Based on this information from the land owner, the site meets the postmining land use

Recommendation

I recommend that the entire surety of \$10,000.00 be released.

The Division is a co-beneficiary on this surety with Duchesne County. The operator will need to gain approval from the County to fully effect release.



Inspector



Date

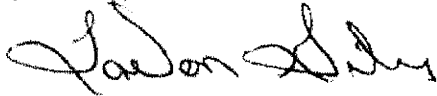
July 2, 2007

Subject: Giles property - Clay Borrow Site Restoration

To Whom It May Concern:

This property has historically been used as a feed ground during the winter months and early spring. W.W. Clyde has reconstructed the property to contours and grades similar to the original condition of the site before construction began. As the property owner I am very satisfied with the way W.W. Clyde has restored the property to its original condition and I plan to again use the property as a feed ground as I have in the past.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason D. Dyer". The signature is fluid and cursive, with the first name "Jason" being more prominent than the last name "Dyer".

LaVon Giles
EQIP contract
Arcadia
Seeding recommendation

Twenty one pounds per acre. Broadcast with disturbance (dragging) to bury seed. Target seed depth of .25 inches.

Crested Wheatgrass 20 lbs. PLS/AC
Yellow Sweetclover 1 lb. PLS/AC

Brett Prevedel
District Conservationist

File Number S/013/009

Effective Date July 8, 2005

Other Agency File Number _____

Released
8-10-07
UP

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECLAMATION CONTRACT

---ooOoo---

RECEIVED

APR 08 2005

DIV OF OIL GAS & MINING

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) S/013/009
(Mineral Mined) Clay Borrow for earth fill

"MINE LOCATION":
(Name of Mine) LaVon Giles Pit
(Description) 10 Miles south east of Upalco

"DISTURBED AREA":
(Disturbed Acres) 5 acres
(Legal Description) (Refer to Attachment A)

"OPERATOR":
(Company or Name) W.W. Clyde/Obayashi, JV
(Address) H.C. 65 Box 119
Bluebell, Utah 84007
(Phone) (435) 454-4644

"OPERATOR'S REGISTERED AGENT":
Name) Clark Prothero

(Address) P.O. Box 350
Springville, Utah 84663
(Phone) (801) 802-6800

"OPERATOR'S OFFICER(S)" & TITLE: Jeffery R. Clyde
Principal

SURETY":
(Form of Surety - Attachment B) Surety Bond

"SURETY COMPANY":
(Name, Policy or Acct. No.) Travelers Casualty and Surety Company
104329702

"SURETY AMOUNT":
(Escalated Dollars) 10,000

"ESCALATION YEAR": 2005

"STATE": State of Utah
"DIVISION": Division of Oil, Gas and Mining
"BOARD": Board of Oil, Gas and Mining

ATTACHMENTS:
A "DISTURBED AREA":
B "SURETY":

*Released
8-10-07
JP*

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between W.W. Clyde/Obayashi, JV the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S/013/009 which has been approved/accepted by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved/accepted Reclamation Plan or Notice, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Reclamation Plan and/or Notice of Intention approved/accepted by the Division on March 15, 2005. The Reclamation Plan and/or Notice of Intention, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for

such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

Released
8-10-07
JP

OPERATOR:

W.W. Clyde/Obayashi, Joint Venture

Operator Name

By Jeffery R. Clyde
Authorized Officer (Typed or Printed)

Principal
Authorized Officer - Position

[Signature]
Officer's Signature

Date 03/15/05

STATE OF Utah)
COUNTY OF Utah) ss:

On the 15 day of March, 2005, Jeffrey R. Clyde
personally appeared before me, who being by me duly sworn did say that he/she is the
Principal of W.W. Clyde/Obayashi and duly acknowledged
that said instrument was signed on behalf of said company by authority of its bylaws or
a resolution of its board of directors and said Jeffrey R. Clyde duly
acknowledged to me that said company executed the same.

[Signature]
Notary Public
Residing at Springville, UT
3-30-2008
My Commission Expires:



Released
8-10-07
JP

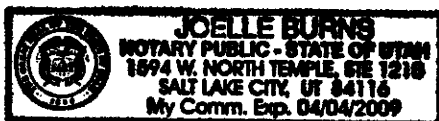
DIVISION OF OIL, GAS AND MINING:

By John R. Baza
John R. Baza, Director

1/8/05
Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 8th day of July, 2005, John R Baza
personally appeared before me, who being duly sworn did say that he, the said
John R Baza is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.



Joelle Burns
Notary Public
Residing at: S L C Utah

April 4, 2009
My Commission Expires:

Revised
8-10-07
JP

ATTACHMENT "A"

W.W. Clyde/Obayashi, Joint Venture

Lavon Giles Pit

Operator

Mine Name

Duchesne County, Utah

Permit Number

LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.

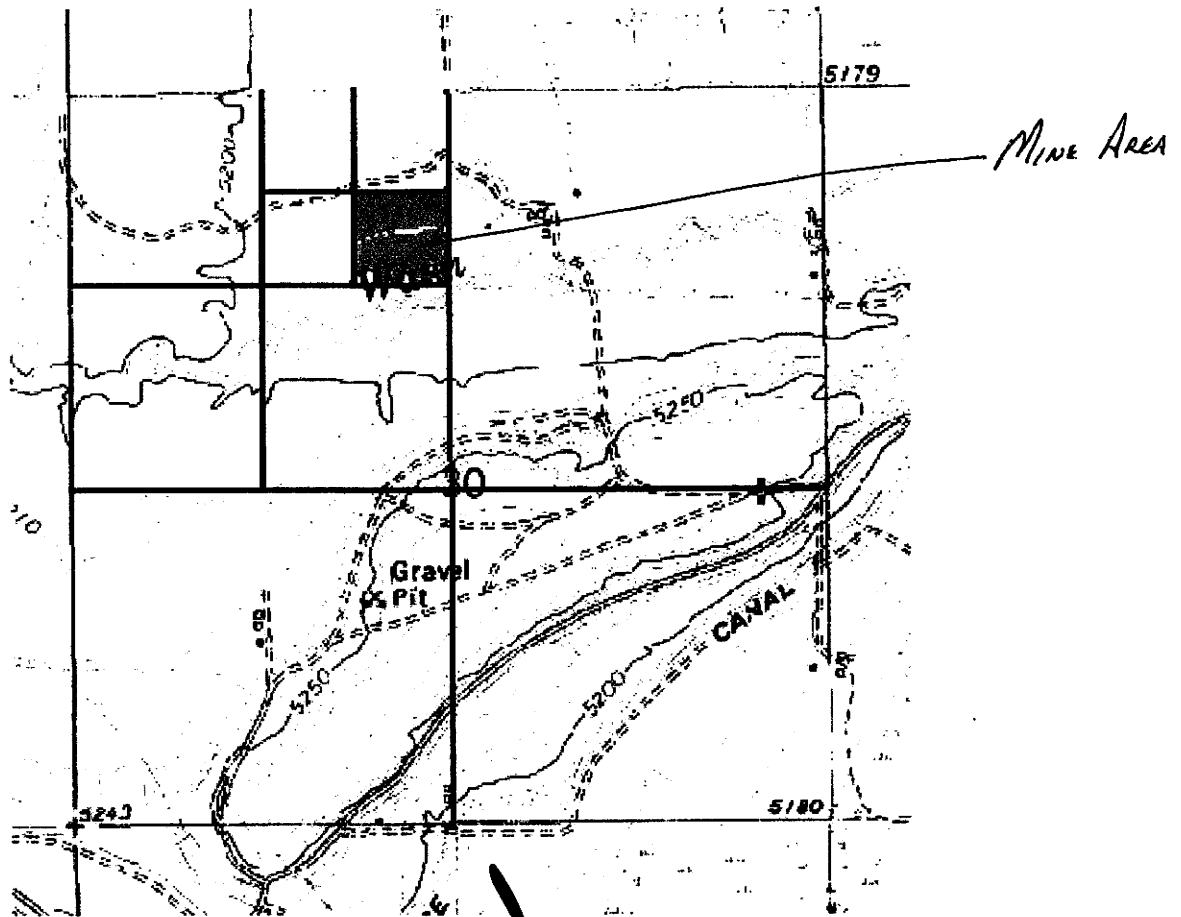
The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 5 acres under the approved / accepted permit and surety, as reflected on the attached map labeled Attachment C & C-a and dated MARCH 15, 2005:

A portion of the SE 1/4, of the NE 1/4, and of the NW 1/4 of Section 30, Township 3 South, Range 2 West, USM.

*Reviewed
8-10-07
JP*

ATTACHMENT C

03/15/05



Revised
8-10-07
JP

MAY-10-2005 TUE 04:08 PM 07 GAS & MINING

FAX NO. 801 59 3940

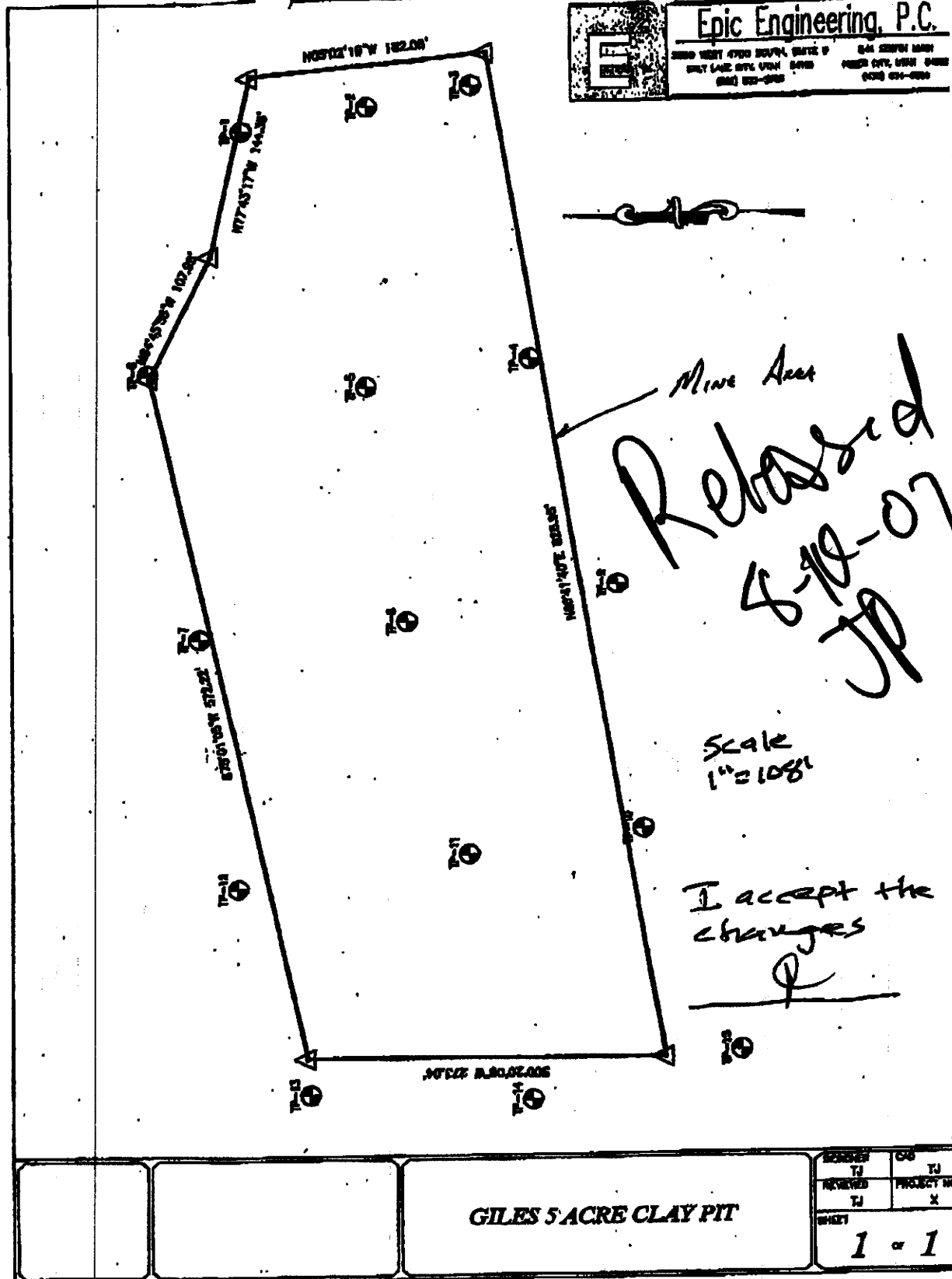
P. 02

03/15/2005

Attachment C-a

Epic Engineering, P.C.

2000 WEST 4700 SOUTH, SUITE 10
 SALT LAKE CITY, UTAH 84119
 (801) 593-3940



REVISION	CU
TJ	TJ
REVIEWED	PROJECT NO.
TJ	X
SHEET	
1	1

RECEIVED

MAY 11 2005

DIV OF OIL GAS & MINING

RECEIVED

DUAL OBLIGEE RIDER

APR 08 2005

To be attached to and form a part of Performance Bond
No.

104329702

DIV OF OIL GAS & MINING

executed concurrently with this rider, it is agreed that:

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, Surety, and

W.W. Clyde - Obayashi, A Joint Venture, Principal,
for valuable consideration, hereby agree that the Performance Bond executed in favor of

State of Utah, Division of Oil, Gas and Mining (Division), Obligee,
in connection with a contract for: RECLAMATION

which bond and contract are made a part of hereof by reference, shall now include as an additional Obligee:

Duchesne County, Utah

in its capacity as Governing Jurisdiction for the aforementioned project.

The Surety shall not be liable under this bond to the Obligees, or either of them, unless the said Obligees, or either of them, shall make payments to the Principal or to the Surety, in case the Surety arranges for the completion of the contract upon default of the Principal, strictly in accordance with the terms of said contract as to payments, and shall perform all the other obligations to be performed under said contract at the time and in the manner therein set forth.

In no event shall the Surety be liable in the aggregate to both Obligees for more than the penal sum of its Performance Bond, nor shall it be liable except for a single payment for each single breach or default. At the Surety's election, any payment due to either Obligee may be made by its check issued jointly to both.

WITNESS the following signatures and seals this 15th day of March, 2005.

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

By:

W. Douglas Snow

Attorney-in-Fact

W.W. Clyde - Obayashi, A Joint Venture

(Principal)

Attest:

By:

Utah State Division of Oil, Gas & Mining

(Obligee)

Attest:

By:

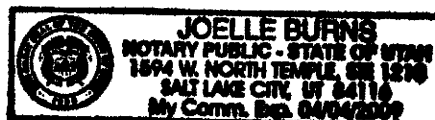
Duchesne County

(Dual Obligee)

Attest:

By:

Michael A. Hyde



Released
8-10-07
JP

ATTACHMENT B

FORM MR-5
November 1, 2004

Bond Number 104329702
Permit Number 5013/009
Mine Name _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE MINED LAND RECLAMATION ACT

SURETY BOND

RECEIVED

APR 08 2005

DIV OF OIL GAS & MINING

The undersigned W.W. Clyde – Obayashi, A Joint Venture, as Principal, and Travelers Casualty & Surety Company of America, as Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas and Mining (Division) in the penal sum of Ten Thousand and no/100 dollars (\$ 10,000.00).

Principal has estimated in the Mining and Reclamation Plan or Notice approved /accepted by the Division on the 15th day of March, 20 05, that 5 acres of land will be disturbed by mining operation in the State of Utah.

Described as: A portion of the SE ¼, of the NE ¼, and of the NW ¼ of Section 30, Township 3 South, Range 2 West, USM

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the approved / accepted Mining and Reclamation Plan or Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the disturbed lands, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

Released
8-10-07
JP

Bond Number 104329702
Permit Number _____
Mine Name _____
Other Agency File Number _____

In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

W.W. Clyde – Obayashi, A Joint Venture
Principal (Permittee)

By: Jeff Clyde

Signature

Surety Company

Travelers Casualty & Surety Company of America
Surety Company Name

W. Douglas Snow
Surety Company Officer

Attorney-In-Fact
Title/Position

Signature

Released
8-10-07
JP
3/15/05

Date

302 West 5400 South, Ste.101
Street Address

Murray, Utah 84107
City, State, Zip

801-685-6860
Phone Number

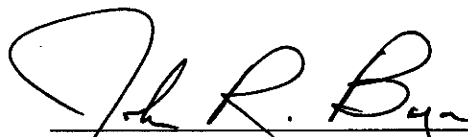
March 15, 2005
Date

Page 3
MR-5
Attachment B
(revised May 9, 2005)

Bond Number 104329702
Permit Number 510131009
Mine Name LAVON GILES PIT
Other Agency File Number _____

SO AGREED this 8th day of July, 20 05.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:



John R. Baza, Director
Utah State Division of Oil, Gas and Mining

*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

*Revised
8-10-07
JP*

Bond Number 104329702
Permit Number _____
Mine Name _____
Other Agency File Number _____

AFFIDAVIT OF QUALIFICATION

On the 15th day of March, 20 05, W. Douglas Snow personally appeared before me, who being by me duly sworn did say that he/she, the said W. Douglas Snow is the Attorney-In-Fact of Travelers Casualty & Surety Company of America and duly acknowledged that said instrument was signed on behalf of said company by authority of its bylaws or a resolution of its board of directors and said W. Douglas Snow duly acknowledged to me that said company executed the same, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.

Signed: [Signature]
Surety Officer

Title: Attorney-In-Fact

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

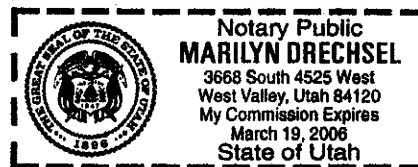
Released
8-10-07
JP

Subscribed and sworn to before me this 15th day of March, 20 05.

[Signature]
Notary Public
Residing at: WVC

My Commission Expires:

March 19, 2006



TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: W. Douglas Snow, D. Cory Payne, of Murray, Utah, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

Released
8-10-07
JP



IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Travelers' statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

Released 8-10-03
TP

STATE OF UTAH

COUNTY OF SALT LAKE

} ss.

W. Douglas Snow being first sworn, on oath and deposes and says, that he is the attorney-in-fact of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, and that he is duly authorized to execute and deliver the forgoing obligation; that said Company is authorized to execute the same, and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligation.

302 West 5400 South, Suite 101
Murray, Utah 84107

Subscribed and sworn to before me, this 17th day of January, 2005

Notary Public

My Commission Expires:

March 19, 2006

Released
6-10-07
JP

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: W. Douglas Snow, D. Cory Payne, of Murray, Utah, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

VOTED: That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

Released
8-10-07
JP

A WITNESS WHEREOF, THE TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY have caused this instrument to be signed by their Senior Vice President and their corporate seals to be hereto affixed this 15th day of July, 2003.

STATE OF CONNECTICUT

SS. Hartford

COUNTY OF HARTFORD

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY



By 
George W. Thompson
Senior Vice President

On this 15th day of July, 2003 before me personally came GEORGE W. THOMPSON to me known, who, being by me duly sworn, did depose and say: that he/she is Senior Vice President of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, the corporations described in and which executed the above instrument; that he/she knows the seals of said corporations; that the seals affixed to the said instrument are such corporate seals; and that he/she executed the said instrument on behalf of the corporations by authority of his/her office under the Standing Resolutions thereof.



Marie C. Tetreault

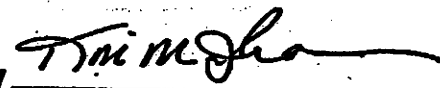
My commission expires June 30, 2006 Notary Public
Marie C. Tetreault

CERTIFICATE

I, the undersigned, Assistant Secretary of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, stock corporations of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Boards of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this 17th day of January, 2005.



By 
Kori M. Johanson
Assistant Secretary, Bond

Revised
8-10-07
JP

LICENSE OR
PERMIT BOND
BOND NO: 104329702

TravelersPropertyCasualty
A member of citigroup

5/6/13/009

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, Levon Giles, as Principal
and TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, a corporation duly incorporated under
the laws of the State of Connecticut, and authorized to do business in the State of Utah, as Surety, are held and firmly
bound unto the Duchesne County
in the penal sum of Ten Thousand Dollras (\$10,000) Dollars,
for the payment of which we hereby bind ourselves, our heirs, executors and administrators, jointly and severally by these
presents.

THE CONDITIONS OF THIS BOND ARE SUCH, that the said Principal has applied for a license as/for
Duchesne County, Reclamation Bond in accordance with the requirements
of the ordinance of said Duchesne County
and has agreed to hold said Duchesne County
harmless from any damage by reason of his/her engaging in said business.

NOW THEREFORE, if said Principal shall faithfully perform all the duties of Reclaiming the real property described as:
Beginning at a point located 400 feet South of the North quarter corner of Section 30, Township 3 South Range 2 West
U.S.B.&M. Thence West 660 feet; thence South 660 feet; thence East 660 feet; thence North 660 feet to the point of
beginning. Containing 10 acres.
according to the requirements of the ordinance of said, Duchesne County
and protect said Duchesne County
from any damage as hereinbefore stated, then this obligation shall be null and void; otherwise to remain in full force and
effect.

Provided, However, that this bond may be continued at the option of the Surety by the issuance of a non-cumulative
Continuation Certificate.

This bond becomes effective on the 17th day of January, 2005 and expires on the 17th day of January, 2007.

DATED: January 17, 2005

Levon Giles

Principal

By Levon Giles

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

By W. Douglas Snow

W. Douglas Snow, Attorney-In-Fact

Released
5-10-05
JP

RECEIVED

FEB 25 2005

DIV OF OIL GAS & MINING

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
TRAVELERS CASUALTY AND SURETY COMPANY
FARMINGTON CASUALTY COMPANY
Hartford, Connecticut 06183-9062

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

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VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

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VOTED: That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

*Released
8-10-07
JP*

Travelers

*Released
4-10-07
JP*

**IMPORTANT DISCLOSURE NOTICE OF TERRORISM
INSURANCE COVERAGE**

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Travelers' statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

STATE OF UTAH

COUNTY OF SALT LAKE

} ss.

W. Douglas Snow being first sworn, on oath and deposes and says, that he is the attorney-in-fact of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, and that he is duly authorized to execute and deliver the forgoing obligation; that said Company is authorized to execute the same, and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligation.

302 West 5400 South, Suite 101
Murray, Utah 84107

Subscribed and sworn to before me, this 17th day of January, 2005

Notary Public

My Commission Expires:

March 19, 2006

Relesseed
8-10-07
JP